



Immediate Benefits

The *Patient Protection and Affordable Care Act* and the *Health Care and Education Reconciliation Act* include health insurance market reforms that will bring immediate benefits to millions of Americans, including those who currently have coverage. The following benefits will be available in the first year after enactment of the two bills.

Small Business Tax Credits

- ✓ Offers tax credits to small businesses beginning in 2010 to make employee coverage more affordable. Tax credits of up to 35 percent of premiums will be immediately available to firms that choose to offer coverage. The full credit will be available to firms with 10 or fewer employees with average annual wages of \$25,000, while firms with up to 25 or fewer employees and average annual wages of up to \$50,000 will also be eligible for the credit. *Effective calendar year 2010.* Later, when Exchanges are operational, tax credits will be up to 50 percent of premiums

No Pre-existing Coverage Exclusions for Children

- ✓ Prohibits health insurers from excluding coverage of pre-existing conditions for children. *Effective six months after enactment, applies to all employer plans and new plans in the individual market.* (This provision will apply to all people in 2014).

Access to Affordable Coverage for the Uninsured with Pre-existing Conditions

- ✓ Provides \$5 billion in immediate federal support for a new program to provide affordable coverage to uninsured Americans with pre-existing conditions until new Exchanges are operational in 2014. *Effective 90 days after enactment.*

Closing the Coverage Gap in the Medicare (Part D) Drug Benefit

- ✓ Provides a \$250 rebate check for Medicare beneficiaries who hit the 'donut hole' in 2010. *Effective calendar year 2010.* (Beginning in 2011, institutes a 50 percent discount on brand-name drugs in the donut hole; also fills the donut hole by 2020.)

Patient Protections

- ✓ Protects patients' choice of doctors by allowing plan members to pick any participating primary care provider, prohibiting insurers from requiring prior authorization before a woman sees an ob-gyn, and ensuring access to emergency care. This provision applies to all new plans. *Effective six months after enactment.*

Re-insurance for Retiree Health Benefit Plans

- ✓ Creates immediate access to re-insurance for employer health plans providing coverage for early retirees, helping to protect coverage while reducing premiums for employers and retirees. *Effective 90 days after enactment.*

Extension of Coverage for Young Adults

- ✓ Requires insurers to permit children to stay on family policies until age 26. *Effective six months after enactment, applies to all plans in the individual market, new employer plans, and existing employer plans if a young adult is not eligible for employer coverage.*

Free Prevention Benefits

- ✓ Requires coverage of prevention and wellness benefits in all new plans and exempts these benefits from deductibles and other cost-sharing requirements in public and private insurance coverage. *Effective six months after enactment.*

Free Prevention and Wellness Visits in Medicare

- ✓ Medicare beneficiaries will receive a free, annual wellness visit and will have all cost-sharing waived for preventive services. *Effective January 1, 2011.*

Access to Quality Care for Vulnerable Populations

- ✓ Makes \$11 billion investment over five years in Community Health Centers to provide the funding needed to expand access to health care in communities where it is needed most. *Effective Fiscal Year 2010.*

Ensuring Value for Premium Payments

- ✓ Establishes standards for insurance overhead and requires public disclosure to ensure that enrollees get value for their premium dollars, requiring plans in the individual and small group market to spend 80 percent of premium dollars on clinical services and quality activities, and 85 percent for plans in the large group market. Health insurance plans that do not meet these thresholds will provide rebates to their policyholders. *Effective January 1, 2011.* This provision applies to all plans, including grandfathered plans, with the exception of self-insured plans.

No Lifetime Limits on Coverage

- ✓ Prohibits insurers from imposing lifetime limits on benefits. *Effective six months after enactment, applies to all plans.*

Regulated Annual Limits on Coverage

- ✓ Tightly regulates plans' use of annual limits to ensure access to needed care in all group plans and all new individual plans. These tight restrictions will be defined by the Secretary of Health and Human Services. *Effective six month after enactment, applies to new plans in the individual market and all employer plans.* (When the Exchanges are operational in 2014, the use of annual limits will be banned for new plans in the individual market and all employer plans.)

Protection from Rescissions of Existing Coverage

- ✓ Stops insurers from rescinding insurance when claims are filed, except in cases of fraud or intentional misrepresentation of material fact. *Effective six months after enactment, applies to all new and existing plans.*

Prohibits Discrimination Based on Salary

- ✓ Prohibits new group health plans from establishing any eligibility rules for health care coverage that have the effect of discriminating in favor of higher wage employees. *Effective six months after enactment.*

Public Access to Comparable Information on Insurance Options

- ✓ Enables creation of a new website to provide information on and facilitate informed consumer choice of insurance options. *Effective not later than July 1, 2010.*

Health Insurance Consumer Information

- ✓ Provides assistance to States in establishing offices of health insurance consumer assistance or health insurance ombudsman programs to assist individuals with the filing of complaints and appeals, enrollment in a health plan, and, eventually, to assist consumers with resolving problems with tax credit eligibility. *Effective Fiscal Year 2010.*

Appeals Process

- ✓ Requires all new health plans to implement an effective process for appeals of coverage determinations and claims. And, states will provide an external appeals process to ensure an independent review. *Effective six months after enactment.*

Increasing the Number of Primary Care Providers

- ✓ Provides new investment in training programs to increase the number of primary care doctors, nurses, and public health professionals. *Effective Fiscal Year 2010.*

New, Voluntary, Long-Term Care Insurance Program

- ✓ Creates a long-term care insurance program to be financed by voluntary payroll deductions to provide benefits to adults who become disabled. *Effective January 1, 2011.*